

BEFORE THE
UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Geuda Springs Post Office
Geuda Springs, KS

Docket No. A2012-75

REPLY BRIEF OF THE PUBLIC REPRESENTATIVE

(January 24, 2012)

I. INTRODUCTION AND BACKGROUND

On November 16, 2011, the Commission docketed the petition for review of the closing of the Geuda Springs Post Office.¹ On December 1, 2011, the Postal Service filed an electronic version of the administrative record concerning its Final Determination, Postal Service Docket Number 1364712-67051.² On December 2, 2011, the Commission issued an order instituting the current review proceedings, appointing a Public Representative, and establishing a procedural schedule.³

¹ Letter filed by Paula Hills, November 16, 2011 (Hills Letter). The Commission received six additional petitions regarding the closing of the Geuda Springs Post Office: (1) Letter filed by the Billilee A. Paton, November 22, 2011, 2011 (Paton Letter); (2) Letter filed by Terry and Nancy Oursler, November 22, 2011, 2011 (Oursler Letter); (3) Letter filed by Linda Estrada, November 22, 2011; (4) Letter filed by Patricia A. Blubaugh, November 29, 2011; (5) Letter by Shannon Wendt, November 30, 2011 (Wendt Letter); and (6) Letter by John Chapman, December 13, 2011. Collectively, these comments refer to the authors of the letters received in this docket as "Petitioners."

² United States Notice of Filing Administrative Record, December 1, 2011 (AR).

³ Notice and Order Accepting Appeal and Establishing Procedural Schedule, December 2, 2011 (Order No. 1019).

Petitioners Billilee Paton and Shannon Wendt filed Participant Statements in lieu of a formal legal brief in which they set forth objections to the closure of Geuda Springs Post Office.⁴ The Postal Service filed comments supporting its closure determination on January 10, 2012, in lieu of a legal brief.⁵

II. STATEMENT OF FACTS

The Geuda Springs Post Office is described by the Postal Service in its Final Determination as an EAS-55 level post office in Geuda Springs, Kansas, located in Sumner County. AR, Item No. 1 at 1. Before being closed the Geuda Springs Post Office provided service to 61 post office box customers. *Id.*

On February 4, 2011, the Manager of Post Office Operations requested permission to investigate the possible closure of the Geuda Springs Post Office. *Id.* The District Manager granted the request. *Id.*

On April 5, 2011, the Postal Service notified customers of the Geuda Springs Post Office of a "possible change in the way your postal service is provided." AR, Item No. 21 at 1. As described in the notice, customers were given the option of receiving pickup and delivery of their mail, as well as the sale of stamps and other postal services from the Oxford Post Office located 10.5 miles away. *Id.* Included was a questionnaire to be completed and returned by April 14, 2011. *Id.* In addition, customers were invited to attend a public meeting on April 14, 2011, at which Postal Service representatives would be available to answer questions and provide information about postal service.

Of the 239 questionnaires⁶ distributed by the Postal Service, 56 were completed and returned: 5 responded favorably to the proposal; 11 expressed opposition or

⁴ Participant Statement of Billie Paton and Shannon Wendt, December 20, 2011 (Paton and Wendt Statement). The Commission also received an additional Participant Statement. See Participant Statement of Liona S. Barbour, December 20, 2011 (Barbour Statement).

⁵ United States Postal Service Comments Regarding Appeal, January 10, 2012 (Postal Service Comments).

⁶ The number of questionnaires distributed is significantly higher than the number of Geuda Springs post office box customers.

concern; and 41 expressed no opinion. AR, Item No. 23 at 1. The meeting was held on April 14, 2011, as scheduled with 38 customers in attendance. AR, Item No. 24 at 1

On July 19, 2011, a formal proposal to close the Geuda Springs Post Office was forwarded to that post office for posting for a period of sixty days. AR, Item No. 31 at 1. An invitation to file comments was also posted in the Geuda Springs Post Office. AR, Item No. 32 at 1. Two comments were received during the posting period that ended September 29, 2011. AR, Item No. 40 at 1. That proposal was transmitted to the Vice President for Delivery and Post Office Operations on October 18, 2011. AR, Item No. 45 at 1.

On October 24, 2011, the Final Determination to close the Geuda Springs Post Office was approved.⁷ The decision was based upon (1) the postmaster vacancy; (2) the steady decline in workload and customer demand over the last three years. *Id.* at 2. The Final Determination indicates that the Postal Service could save \$27,440 if it closed the Geuda Springs Post Office. *Id.* at 7.

III. POSITIONS OF THE PARTIES

A. The Petitioners

The Petitioners present three main arguments in opposition to the closing of the Geuda Springs Post Office: (1) the Postal Service failed to consider the effect of the closing on the Geuda Springs community; (2) the Postal Service failed to consider whether or not it will continue to provide a maximum degree of effective and regular postal services to the Geuda Springs community; and (3) the Postal Service failed to adequately consider the economic savings resulting from the closure.

⁷ AR, Item No. 47 at 1, Final Determination to Close the Geuda Springs, KS Post Office and Continue to Provide Service by Rural Route Service, posted October 31, 2011 (FD).

B. The Postal Service

On January 10, 2012, the Postal Service filed comments in lieu of the answering brief permitted by Order No. 1019. In that filing, the Postal Service supports its decision to close the Geuda Springs on the basis that it has (1) followed the proper procedural requirements of 39 U.S.C. 404(d); (2) considered the impact on the Geuda Springs community; (3) considered the effect of the closing on postal services provided to Geuda Springs customers; (4) properly determined that it would save \$27,440 from closing the Geuda Springs Post Office; and (5) considered the effect on postal employees. Postal Service Comments at 3-16.

IV. STANDARD OF REVIEW AND APPLICABLE LAW

A. Standard of Review

The Commission's authority to review post office closings provided by 39 U.S.C. § 404(d)(5). That section requires that the Postal Service's determination be reviewed on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds are: (A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (B) without observance of procedure required by law; or (C) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

B. The Law Governing Postal Service Determinations

Prior to making a final determination to close or consolidate a post office, the Postal Service is required by 39 U.S.C. § 404 to consider: (i) the effect of the closing on the community served; (ii) the effect on the employees of the Postal Service employed at the office; (iii) whether the closing is consistent with the Postal Service's provision of

“a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining;” (iv) the economic savings to the Postal Service due to the closing; and (v) such other factors as the Postal Service determines are necessary. See 39 U.S.C. § 404(d)(2)(A).

In addition, the Postal Service’s final determination must be in writing, address the aforementioned considerations, and be made available to persons served by the post office. 39 U.S.C. § 404(d)(3). Finally, the Postal Service is prohibited from taking any action to close a post office until 60 days after its final determination is made available. 39 U.S.C. § 404(d)(4).

V. ADEQUACY OF THE POSTAL SERVICE’S FINAL DETERMINATION

After careful review of the Postal Service’s Final Determination, the materials in the Administrative Record, the arguments presented by Petitioners and the Petition submitted by customers of the Geuda Springs Post Office, and the Postal Service Comments, the Public Representative concludes that the Postal Service has followed applicable procedures, that the decision to close the Geuda Springs Post Office is not arbitrary or capricious, and that the Postal Service’s decision is supported by substantial evidence.

Although the Postal Service has followed applicable procedures in reaching its decision to close the Geuda Springs Post Office, the Public Representative observes that the Postal Service’s decision may force some customers to incur unexpected financial costs. In its Comments, the Postal Service states that CBUs will “replace P.O. Boxes at the Geuda Springs Post Office for those customers who are assigned P.O. Boxes as their current free source of delivery.” See Postal Service Comments at 9. The Postal Service’s rural carrier cost analysis assumes that all current 61 post office box customers will receive rural carrier delivery.⁸ Thus, the Public Representative is unable to determine how many of those 61 customers currently receive free (Group E) Post

⁸ AR, Item No. 17 at 2.

Office Box service. This is important because most of the Petitioners express concerns with receiving rural carrier delivery service to CBUs, and with traveling to the Oxford Post Office.⁹ The Petitioners note that since many Geuda Springs residents work in Arkansas City, KS, they would rather utilize the Arkansas City Post Office.¹⁰ Therefore, one would assume that these customers would opt to obtain a post office box in Arkansas City, in lieu of receiving rural carrier delivery service emanating from the Winfield Post Office. However, if these customers currently receive free Post Office Box service, the Postal Service's decision to close the Geuda Springs Post Office would inadvertently increase annual expenses for these customers.

VI. CONCLUSION

For the reasons set forth above, the decision of the Postal Service to close the Geuda Springs Post Office should be affirmed.

Respectfully Submitted,

/s/ Derrick D. Dennis

Derrick D. Dennis
Public Representative

901 New York Avenue, N.W.
Washington, D.C. 20268-0001
(202) 789-6835; Fax (202) 789-6891
Derrick.Dennis@prc.gov

⁹ Although the mail for Geuda Springs residents will emanate from the Winfield Post Office, the Postal Service explains that customers may retrieve undeliverable mail from the Oxford Post Office. See Postal Service Comments at 7 and 9.

¹⁰ See Hills Letter at 1; Oursler Letter at 1; Patton Letter at 1; Wendt Letter at 1; Barbour Statement at 1; and Patton and Wendt Statement at 2. Also see AR, Item No. 22, which contains copies of the completed questionnaires. A review of the questionnaires supports the Petitioners claims that many residents frequent Arkansas City, KS for shopping and personal needs. The Arkansas City Post Office is approximately 10 miles southeast of the Geuda Springs Post Office and the Oxford Post Office is approximately 10 miles north of the Geuda Springs Post Office.